

# Decision Memo for Liver Transplants in Non-approved Centers During the Emergency in Houston (Amendment) (CAG-00120R)

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## Decision Summary

As noted in the June 15, 2001 decision memorandum, we believe that the situation in Houston is a catastrophe that warrants special treatment and unique coverage criteria. The situation of a large metropolitan area having three transplant centers which have shut down simultaneously is unique and creates a significant major hardship on beneficiaries. We believe that the health and safety concerns of beneficiaries, who are in situations where forstalling transplantation until the hospital operations are restored may result in death, outweighs the requirement that the facility meet all of the routine Medicare standards.

Given the nature of the emergency, the temporary nature of the situation, and the gravity of the effect of postponing the transplant, we believe it is appropriate to cover the transplants at the alternative hospitals during the period that Memorial Hermann Hospital is closed. Thus, this decision memorandum constitutes a national coverage decision that will permit coverage of liver transplants performed by the team from Memorial Hermann Hospital when performed at M.D. Anderson Cancer Center for a period of 6 months or until Memorial Hermann Hospital reopens, which ever occurs first.

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## Decision Memo

To: File: Amendment to Coverage of Liver Transplant in Non-approved Centers During the Emergency in Houston (CAG – 00120R)

From:

Sean Tunis  
Director Coverage and Analysis Group

Jackie Sheridan  
Technical Advisor, Coverage and Analysis Group

Re: National Coverage Decision

Date: June 22, 2001

This decision memorandum outlines the background behind the June 15, 2001 decision to grant emergency coverage of liver transplants in three centers in Houston. It also discusses the unique emergency situation being experienced in Houston at this time. This decision memorandum constitutes a national coverage decision that will permit the transplant team of Memorial Hermann Hospital to perform covered Medicare liver transplants in M.D. Anderson Cancer Center in addition to the other three non-approved transplant hospitals which were discussed in the June 15, 2001 decision memorandum.

## **Background on Medicare Coverage Policy**

Liver transplantation may be necessary for survival when a patient develops severe end-stage liver disease. Medicare first began to cover adult liver transplantation on March 8, 1990. The policy was published in the Federal Register (56 FR 15006) as a final notice and was based upon a recommendation from the Office of Health Technology Assessment of the Public Health Service. Coverage of adult liver transplantation was initially limited to seven diagnoses, but has been expanded considerably over the years. The national coverage policy is presently in section 35-53 of the Coverage Issues Manual.

The policy has consistently provided that liver transplantation is reasonable and necessary only when the transplant is performed in a facility which is approved by HCFA as meeting institutional coverage criteria. The institutional criteria are included in Medicare coverage based on a determination that transplantation is safe and effective only when it is performed in facilities that meet the criteria outlined in the 1991 Federal Register Notice (See 56 FR 15006).

## **Background on Situation in Houston**

During the weekend of June 8, portions of Houston, Texas and surrounding areas received up to 32-inches of rain in a 24-hour period from Tropical Storm Allison. These storms caused massive flooding throughout the area, with the Texas Medical Center complex near downtown sustaining some of the most severe damage. The Texas Medical Center is one of the largest concentrations of medical facilities in the United States. Of these hospitals, the most seriously damaged was Memorial Hermann Hospital. Due to the loss of electrical power and disruption in basic services, Memorial Hermann Hospital was closed, and the patients transferred to other facilities.

At this time, we do not know the extent of the damage to the facilities with the Texas Medical Center or how long it will take the flooded facilities to return to normal full operation. The President has declared Harris County (Houston) and a number of other Texas counties a disaster area and FEMA officials are now working in the Houston-area to help hospitals and the citizens of Houston recover from the results of this storm.

Due to the fact that approximately 2000 beds in the Houston area are not available, Memorial Hermann Hospital is prepared to move its entire liver, pancreas and kidney transplant teams to affiliated hospitals in the Houston area to perform transplants during this emergency period. They have requested coverage of transplants performed in Memorial Hermann – Memorial City Hospital, Memorial Hermann Southwest Hospital and Memorial Hermann Southeast Hospital. This emergency coverage was granted on June 15, 2001.

However, the emergency situation in Houston has continued and new patient care patterns have emerged. Because so many beds in the Houston area have been temporarily lost, the facilities that were initially approved on June 15, 2001 are filled to capacity.

M.D. Anderson Cancer Center currently has space available in its 40 bed intensive care unit. Since it concentrates principally on cancer patients, its patient load typically would not fluctuate rapidly and unpredictably. M.D. Anderson and Memorial Hermann Hospital have a historical relationship in that both of these hospitals are teaching hospitals for the University of Texas Health Science Center in Houston and many of the faculty physicians have privileges at both facilities. Furthermore, M.D. Anderson is physically near the tissue-typing laboratory used by Memorial Hermann Hospital in histocompatibility testing for transplants, which will facilitate rapid matching of donors, organ, and recipients. More importantly, M.D. Anderson is staffed and equipped generally to handle high acuity patients and immunosuppressed patients due to its stem cell transplant program.

## **Decision**

As noted in the June 15, 2001 decision memorandum, we believe that the situation in Houston is a catastrophe that warrants special treatment and unique coverage criteria. The situation of a large metropolitan area having three transplant centers which have shut down simultaneously is unique and creates a significant major hardship on beneficiaries. We believe that the health and safety concerns of beneficiaries, who are in situations where forstalling transplantation until the hospital operations are restored may result in death, outweighs the requirement that the facility meet all of the routine Medicare standards.

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